

## **Exporting your Business - Now's the Time** Roundtable report, April 2025

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### **Delegates in attendance:**

Name	Role	Organisation
Amandeep Matharu	Founder	Walls of Eden
Chris Smith	Founder and MD	Centre for the New Midlands
Cllr Beverley Nielsen	Research Associate	Centre for the New Midlands
Craig McVoy	CEO	Turnkey
Dan Barlow	CEO	Kagool Ltd
David Zell	Assistant Delivery Manager	West Midlands Combined Authority
Duncan Ruffle	Trade Director	NatWest Bank
Elena Boos	Founder/CEO	Visionary Farms
Elisabeth Lewis-Jones	CEO	Liquid
Fiona Latter	Delivery Manager	West Midlands Combined Authority
lan Vickers	CEO	Metcloud
Kyle Raffo	Director	Embello
Matt Young	International Trade Advisor	Department for Business and Trade
Nayden Yurukov	Co-founder	PORTALZERO Ltd
Neel Chatterjee	Director	LUK Hospitalities Limited
Nura Ali	Executive Director	Allies Network C.I.C
Scott Shearan	Co-founder	PORTALZERO Ltd
Stuart Lane	Co-founder	Virtual Decisions
Tony Sartorius	Chairman	AluCast

"As the only independent, non-partisan think tank dedicated to the West Midlands region, one of our guiding principles is to be the place where people come to 'debate, shape and create' a better region and roundtables play a really important role in bringing people together to think about what needs to happen to create the thriving region that we all want to see.

Our roundtables provide an independent space for people to connect (or re-connect) with inspirational people, from all across the region, who are doing incredible things in their sectors to transform lives. This roundtable couldn't have been more timely with the challenges posed to UK businesses by the vast imposition of tariffs from the Trump administration in the US. I hope you enjoy reading more about the discussions and encourage you to get involved in our work. I look forward to hearing from you."

#### Chris Smith

(Founder and MD, Centre for the New Midlands CIC)





As a 20-year-old IT services firm, operating in 12 jurisdictions, we have found a relentless quest for diversification has been essential to overcome the headwinds facing us and many other businesses.

Given ongoing challenges whether since Brexit, Covid, in supply chains or most recently following Trump's tariffs, we regard it as more important than ever that businesses share their learning and experiences with each other. There's a raft of support available which we have gratefully sought out, and in some cases been able to take advantage of, whilst in others we've had to learn to 'fail quickly' and move on. Our primary quest now, in light of the most recent challenges around tariffs and rising costs, has been to increase product innovation, along with geographical, currency and customer diversification, and to seek out new growth markets internationally. We're keen to share our learning with others across the Midlands and hope some of our experience may be relevant to those also looking to diversify and expand their horizons.

**Dan Barlow** (Group CEO, Kagool – our event spons



### **1. Setting the Scene – in brief**

### **1.1 Midlands' Exports**

In 2019, Midlands' goods exports delivered £56 billion revenues, representing 16% of total UK goods exports. However, these declined significantly in 2020, falling by over 10% to £45.6 billion – representing a five times higher fall than the national average decline of around 2%. Similarly, services exports were also severely disrupted, with a near 25% reduction in export value, making it the worst-hit region. Between 2021 and 2022, the Midlands' rate of recovery lagged behind the UK average, resulting in a 2% reduction in regional UK export share. (Centre for Business Prosperity, (2023))

### **1.2 West Midlands' Exports**

In 2021, the West Midlands exported £40.5bn worth of goods and services, making it the sixth highest UK exporting region, representing 6.2% of total UK exports that year. In 2021, there were 17,000 businesses in the West Midlands exporting goods and/or services, 6% of total UK exporting businesses, with machinery and transport accounting for over 60% of regional exports. The top three markets for services exported from the West Midlands in 2021 were: United States (£3.1bn), Germany (£0.8bn) and Ireland (£0.6bn) (Insider, December (2023)).





By 2022, the West Midlands had experienced a sharp fall in goods exports, declining by 26%, with total sales falling to £29.9bn worth of goods, or 8% of all UK goods exports that year, although still in sixth position amongst UK goods exporting regions. The top three markets for goods exported from the West Midlands in 2022 were: United States (£6.4bn), Germany (£2.9bn) and China (£2.3bn).

In the year ending Q1 2022, the West Midlands exported £25.8bn worth of goods and imported £36.6bn leading to a trade in goods deficit of £10.8bn (<u>Midlands Engine</u> <u>Observatory, (2024)</u>).

However, in 2023, goods exports recovered strongly, with the West Midlands exporting £34.9 billion of goods and importing £42.5 billion, delivering a reduced trade deficit of £7.6 billion and with the region's exports having increased by 16.6% compared to 2022. The West Midlands accounted for 9.5% of UK exports in 2023, the third-highest share behind the Southeast and London. Nationally, service exports have been predicted to grow from 25% of all trade to 28% by 2035. Whilst London's service exports dominate with the City exporting approximately 15 times more than the second largest service exporting city, West Midlands' service exports continue to grow.(West Midlands Insights on Society and the Economy, (2024))

### 2. Export Support

### 2.1 The <u>Department for Business and Trade</u>, (DBT), provides a range of support and training for businesses currently exporting and those looking to enter export markets. This covers:

- Market Selection
- Routes to Market and Operating Overseas
- Funding and financial considerations
- Trade restrictions, regulations and licensing
- Logistics
- Customs, taxes and declarations
- Travelling for work
- Managing business risk and corruption

#### 2.2 Matt Young, Tech Sector Lead, DBT

Matt explained the Department's role in helping businesses to grow internationally – through 'go to' market support, marketing and communications, and support with cultural pieces as well as how to get paid. There were overseas posts supporting businesses with selected target markets, in terms of the 'who's, what's, why's and how's'. He admitted it was not always perfect, but when it worked it could be very successful. Free resources were provided, perhaps as a 'best kept secret'. The Department provided what amounted to business consultancy services: they will sit down, review strategy and suggest how businesses might look to take their products or services to market. Post Trump's tariffs, the Department was continuing to support UK business – both domestically and internationally. However, for businesses looking to export, the first step was to get out to target markets and experience a country firsthand. One thing missed by many companies was the need to protect IP and all companies should certainly check that their innovations are protected before selling overseas.



### 2.3 Fiona Latter, Programme Lead, Creative Culture and Heritage, WMCA

Fiona was responsible for organising trade missions to Columbia, Jordan, Uzbekistan, Belgium, and Leipzig. In Uzbekistan, a Memorandum of Understanding (MoU) had been signed by the Combined Authority, prior to the invasion of Ukraine.

Managing expectations was important, as well as targeting the most opportune markets. For example, for those focussing on Africa, there was support for exporters from both the DBT and WMCA. Exploratory visits were recommended for those not already familiar with a market. Attending dinners and 'getting a feel for the culture' was a good way to put 'a toe in the water'.

Building an export market takes time. With growing levels of business support in the region for exporters, too many remained unaware of, or took up these opportunities. The Chambers of Commerce were particularly helpful in providing export support, and wherever businesses might travel overseas, the Chambers would be there, they were not expensive and could provide comprehensive market and background research. The DBT website and WMCA export support websites are now linked.

WMCA was developing an integrated strategy with a clearer mandate to promote exporting and with a continued focus on targeted trade missions. For example, trade missions were currently being planned to Leipzig and Dresden with Kenya and Estonia also on their radar. Twinning, as a concept, had originated in the West Midlands, with the Combined Authority building on this.





### 2.4 David Zell, Assistant Delivery Manager, WMCA

David noted that the 3-year strategy would include the Coventry & Warwickshire Chamber leading on export support, with programmes for the Black Country and Birmingham Chambers of Commerce. Birmingham and Solihull were also running its own local authority-led export programme. <u>Business Growth West Midlands</u> was also a very good resource, working closely with DBT.







### 3. Question 1 - Where do you see your business growth in the next five years, and why?

3.1 Businesses present represented a range of business interests with just over a guarter attending involved in manufacturing, a fifth were early-stage firms involved in fundraising rounds, and all with aspirations focussed on growth opportunities in export markets.



### **3.2 Tony Sartorius, Chairman, Alucast**

Tony explained that his business, in aluminium dye casting, was producing specialised lightweight auto parts for sports and high performance cars. As an active exporter, tariffs were a source of concern. Employing 108 people, with revenues around £10m, the company had capacity to increase output through emerging lightweighting opportunities with Very Light Rail (VLR) seen as an opportunity for further growth.



### 3.3 Elena Boos, Co-founder and CEO, Visionary Farms

An early-stage innovator in indoor growing, Visionary Farms develops smart grow lighting technology that grows plants anywhere, creating indoor gardens in workspaces. They already work with leading institutions, such as x+why and Loughborough University. Although only in her twenties, Elena previously helped build and scale a vertical farming technology company that delivered 18 innovative controlled-environment agriculture projects and secured £1.6 million in grants. Elena has recently spent time in the Middle East, exploring the opportunities for smart indoor growing in the region. As an early-stage founder, Elena initially worked in Russia, but successfully transitioned to the UK in 2022, navigating complex geopolitical challenges.

### 3.4 Kyle Raffo, founder and owner of printing and branded merchandise manufacturing firm, Embello,

Producing a myriad of items, from lanyards to glasses, for a wide range of customers, including global brands such as Spotify, Costa Coffee, Google, PlayStation, Bentley and Morrisons, with 100k of branded orders leaving their dedicated Tamworth facility every week.

Last year had been busy and the outlook for 2025 suggested it would be just as busy. Over the past 12 months, they had doubled turnover, investing heavily in training and leadership, and looking to expand to larger premises. They were on a mission to 'reignite British manufacturing', alongside a commitment to producing eco-friendly products.

With a lot of M&A activity in the UK, they were interested in working alongside struggling businesses challenged by the current environment. They had been making great connections regionally and nationally, and across the border to Ireland. Onshoring to England had been accelerating as people did not want any delays or to wait for shipments from China, or even from the EU. Trump's tariffs were helping them to grow. However, there were pressures when working in different markets customers were very different. In the last 16 years they had focussed on domestic markets.

### 3.5 Elisabeth Lewis-Jones, CEO, Liquid

Elisabeth highlighted the integrated global marketing services offered by her business which had started as a PR company. Set up in Bromsgrove, they were now operating across 26 jurisdictions including with large public bodies in the US and Canada.



### 3.6 Amandeep Matharu, Founder, Walls of Eden

#### Walls of Eden | Artfully Nurturing Nature Within

Providing customisable and modular wall panel systems, including 3-D laser cut panel systems integrating living plants, enabling people working inside to connect to nature. They were expanding and interested in export to support future growth.



### 3.7 Scott Shearan and Naydon Yurukov, Co-founders, **Portalzero**

Pioneering a new era of 'RV living' (Recreational Vehicle) through the introduction of cutting-edge DC (Direct Current) induction cookers to create a market for 48 volt components. Having developed an electric induction cooker engineered to tackle the challenges of off-grid living, charged off a vehicle, camper van or SUV, they were targeting Australia, Europe (France) and the UK with a five-year expansion plan. Business plan projections anticipated 400 cooker sales in Year 1, given the opportunity to take a small fraction of the \$100bn RV market, over 750,000 camper vans and motorhomes produced worldwide annually, and 11,600 motorhome registrations in the UK in 2022. Their new cooker was being produced in Coventry (Bilton) and they were engaged in a funding round. In discussion it was noted that countries including the Philippines were shifting from gas and wood cooking to electricity and looking for more efficient heating and cooking solutions.











#### 3.8 Stuart Lane, Founder, Virtual Decisions,

Since 1992, had been delivering education and training programmes in Birmingham, across the UK, and internationally. Their high impact, topical performances and workshops provided an original platform for creative learning. Using drama and the arts, they were creating individually designed packages for schools, delivering topics and focus areas for young people between the ages of 3 and 18. They had established many strong relationships with schools and organisations across the UK and in China.

Over the past five years, the company has expanded into international markets. Their mission was to provide the highest quality creative arts projects to schools all over the world so that all young people could have the opportunity to learn through creativity. With their drama workshops and arts festivals, any subject could be brought to life by creating individually designed programmes for schools through topic-based creative arts workshops to enhance the curriculum. Recently they had pivoted to Virtual Reality (VR) and had always focussed on socially challenging issues, including gang and knife crime, and, wherever possible, focussing on 'changing minds and saving lives'. They were thrilled to have been nominated for a Webby World Award – the first company from the West Midlands to have ever been nominated.



### 3.9 Ian Vickers, Metcloud

Metcloud was one of only three private and sovereign cloud providers to government agencies. With geopolitical tensions, government was looking to repatriate data from Amazon and google. The legal framework introduced via the US Cloud Act had given freedom of access to government department data held in the Cloud. The UK government had been caught out as all government departments had moved data into US scalers and companies through the Cloud. They had just cancelled a new Al cyber product as a result. Metcloud had won 70 or so innovation awards but very few people knew they existed. They had exhibited in Riyad in September 2024 and had been talking with some of the biggest cloud providers in the world as they have a first leader advantage.



# 4. Question 2 - From your experience do you feel the right level of support is there for you to grow your business globally?

4.1 Companies present recognised the support being provided by the Department for Business and Trade, Innovate UK and the Combined Authority, with a limited number having been able to take advantage of this very successfully. However, of those present only 30% were actively engaged in exporting.

DBT was stated as being a 'fantastic resource, free at the point of access,' with the same view expressed for Innovate UK and the <u>Business Growth arm of Innovate UK</u> as well as local authorities and Chambers of Commerce. All of these organisations were able to highlight cultural differences which could be a much more substantial issue than businesses often appreciated.

### 4.2 The UK government played a supportive role in enabling Expert Technologies Group to export through initiatives such as:

- UK Export Finance (UKEF) Providing funding and insurance to mitigate risks.
- Department for Business and Trade (DBT) Assisting with trade missions and export advice.
- UK Trade Shows & Delegations Helping them to showcase their technology offerings internationally.

In terms of incentives to encourage exporting, ETG in accessing UK Export Finance (UKEF) support, had found this essential in securing a project win in mainland Europe and enabling them to compete internationally.

### 4.3 Liquid

Liquid had opened an office in Brisbane two years ago with the DBT providing 'amazing support'. More recently they had opened an office in Melbourne. It was important to be clear in different parts of the world. The UK is world-leading in digital marketing, being at least 10 years in advance of Australia, for example, with big growth opportunities anticipated in APAC markets as well as in the Commonwealth, where we have the same sense of values and humour, warmth and resonance, as in brand GB.

### **4.4 Virtual Decisions**

In March 2018 Virtual Decisions had embarked on their fourth trip to Wellington College, Shanghai. Every year the college hosted an Arts Festival, inviting artists from all over the world to teach themed workshops at their school. Themes have included Shakespeare, The History of Comedy, The Works of Roald Dahl, Countries around the World, and the Progression of Film and Cinema. They had been involved in a couple of trips to the US with help from DBT and credited acquiring their first US client directly thanks to this DBT support. They were appreciative to have received appropriate support to grow overseas and were waiting to see how activities undertaken to-date would progress.



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Question 3:

With regard to supporting your export journeys, what would your asks be to regional and/or national government?

5. Question 3 - With regard to supporting your export journeys, what would your asks be to regional and/or national government?

5.1 The discussion focussed on barriers to export growth, asks from government and agencies as well as opportunities to highlight greater success and promote a stronger reputation for the region, with summary recommendations covered.

As established previously, it can be difficult for SMEs to know where to start and how to develop their plan to sustainability (<u>Centre for the New Midlands, (2024</u>)). Often, they have limited knowledge and capacity to move forward effectively. Giving SMEs access to this knowledge and aiding them with a targetable plan for the near term would help greatly in being able to at least start this journey. If we put the SME at the heart of their own plan, asking them how they can contribute and create their preferred future, this would go a long way to encouraging SMEs to take immediate action.

### 5.2 Hurdles preventing companies from scaling exports efficiently included:

### 5.2.1 Policy and Cultural Updates

Additional policy and cultural information and briefing was important in light of rapidly changing contexts in export markets, particularly the US and accessing these from local partners ahead of any trips would be helpful.

### 5.2.2 Local Regulations & Compliance Complexity

With each country having their own regulatory requirements for industrial automation and other equipment, including certification standards, safety protocols, and import/export regulations, navigating these compliance hurdles required significant expertise, time, and financial resources.

### 5.2.3 Cost Barriers & Tariffs

The cost of exporting advanced machinery could be prohibitive due to high tariffs, import duties, and logistics expenses. Some markets imposed heavy restrictions or favour domestic suppliers, making it challenging to compete on price alone.

### 5.2.4 Market-Specific Knowledge & Partnerships

Even for firms with strong technical capabilities, understanding the nuances of foreign markets, customer expectations, and competitive landscapes remained a challenge. In particular, better access to on-the-ground expertise, local distributors, and trusted business networks was required to enter new export markets effectively.

### 5.2.5 Financing & Payment Risks

Exporting large-scale industrial equipment often involved complex payment terms, currency fluctuations, and financial risks. While financial support mechanisms like UKEF (UK Export Finance) were helpful in certain cases, securing reliable payment structures remained a challenge when dealing with emerging markets.

### 5.2.6 After-Sales Support & Servicing

Many clients required ongoing support, training, and maintenance for automation and other industrial systems. Establishing a reliable service infrastructure in export markets remained a major challenge without local technical teams or partnerships.

## 5.3 Suggested areas of support to overcome barriers included:

### 5.3.1 Policy and Cultural Updates

Additional policy and cultural information and briefing was important in light of rapidly changing contexts in export markets, particularly the US and accessing these from local partners ahead of any trips would be helpful.

### **5.3.2 Connecting with partners**

Connecting firms with relevant international partners who could assist with cultural and policy insights. It was also important to business that devolution didn't disrupt their ability to export, with the industrial strategy ideally focussed on providing additional export support.

### 5.3.3 Matchmaking, mentoring, business development and specialist support

Financial support alone was not enough - the biggest challenge remained market intelligence and localised business development. There was a need for greater access to international trade advisors, business matchmaking services, and in-market mentorship programs where linking businesses to experienced mentors could help firms navigate through complex and time-consuming challenges. While UKEF provided financing, structured guidance on market entry strategies, regulatory navigation, and building strong client relationships abroad, was required. Having direct access to market specialists providing hands-on assistance with international expansion would be more impactful than financial support alone, and in the absence of formalised support was something funded entirely by regional businesses themselves.

### **5.3.4 Not forgetting SMEs**

Government tended to focus on big brands, rarely focussing sufficiently or having real understanding of SMEs which were, after all, the innovation engine for any economy, making up 99% of all business.

### 5.3.5 Bureaucracy

Whilst export grants were recognised as helpful, completing the relevant paperwork could take up a great deal of time and feedback requested could mean that it was not worthwhile. Firms appreciated getting support, but the funder did not need to 'know our inside leg measurement'.

### 5.3.6 EU Trade Deal

The relationship with the EU, as our biggest export market, should be improved. Since leaving the EU firms were finding it difficult to conform with paperwork requirements. EU customers expecting goods shipments found it much more complex to complete the paperwork and business had seen a big reduction in enquiries. Whilst the government are looking at signing an improved deal with the EU and this could not happen soon enough. Non-tariff barriers on products going into France – even pre-Trump – were higher following Brexit and the UK had seen a £27bn reduction in good exports with the EU since leaving the EU.

### 5.3.7 Clarity in a changing UK Political scene

Midlands Engine had signed an MoU with the State of Maryland a decade ago given that this US state shared many attributes with the West Midlands. Located next to Washington DC, it shared a similar demographic, with strengths in aerospace and as a manufacturing heartland. Additionally, synergies existed between Maryland and its Chambers and our own Midlands-based Chambers of Commerce. However, with the demise of Midlands Engine there was a lack of clarity as to whether the Midlands could continue to build on this relationship. Entrepreneurs did not have the time to take on board all these political changes. It was noted that considering the existence of East and West Midlands Combined Authorities, a role for the Midlands Engine in bringing these together could be envisaged but of those present no one was sure where this left this particular MoU and whether this might be picked up via the Industrial Strategy.

### 5.3.8 Joining the Dots and celebrating our successes

Even with all these regional assets available to business, there was no real energy or management of these opportunities. What was our own Combined Authority and government doing to put regional brands and innovative SMEs front and centre and to match-make for the country and region.

There was a lack of understanding in government of regional technology assets, even though there is a stated ambition to be a worldwide cyber superpower. Government was not speaking with these specialised and often small and medium sized businesses. There was a lack of joining up the dots and celebrating our assets and activities as a country.

### 5.3.10 Tax incentives and targeted grants

Export tax incentives, grants for international expansion, and funding for participation in global trade exhibitions would further enhance the ability of UK companies to establish a foothold in competitive markets.

### 6. Recommendations

To accelerate UK exports, the government and trade organisations should implement the following:

#### 6.1 Complete EU Trade Deal – vital for

West Midlands exporters in particular those who were part of automotive supply chains with goods moving backwards and forwards many times during automotive production.

#### 6.2 WMCA create account management

**system** to ensure region-critical exporters (large and smaller firms) have support required both for domestic and export markets and to ensure firms are updated on political changes, in particular via Chambers of Commerce as local business representative organisations with export support activities.

**6.3 Minimise Bureaucracy** in grants, funding and all areas of support for business exporters.

#### 6.4 Promote regional success stories and

enhance local intelligence gathering on West Midlands' business achievements linked to industrial strategy and cluster activities.

#### 6.5 Stronger Market-Specific Intelligence & Business Matchmaking

- A centralised platform that provides in-depth reports on target markets, competitors, and pricing structures.
- Regional business advisory teams that specialise in automation and industrial exports.
- Industry-specific networking events that connect UK exporters with vetted local partners.

#### 6.6 On-the-Ground Representation in Key

**Markets** to Deploy UK business development representatives in major industrial hubs and assist with local relationship-building.

• Establish export assistance centres in MENA, North America, and Asia where UK companies could receive hands-on support.

### 6.7 Funding for International Market Entry & Exhibitions

- Expand grants for UK companies to exhibit at leading manufacturing trade shows (e.g. Automatica in Germany, IMTS in the US).
- Provide support for pilot projects to help UK firms establish proof-of-concept deployments in target markets.

#### **6.8 Stronger Support for Export Compliance**

& Logistics including Simplified guides and one-stop advisory services for navigating complex export regulations.

• Access to specialist legal and compliance advisors for high-growth markets like China and the US.

#### 6.9 Enhancing After-Sales & Servicing Support

**for Exported Equipment** or Government-backed incentives to train and certify international service partners for UK goods and equipment.

 Grants or subsidies for setting up regional service hubs to provide technical support for exported goods and machinery.

### **About our Author – Beverley Nielsen**

As Research Associate for the Centre for the New Midlands Beverley is currently working to produce a Business Manifesto for the Coventry & Warwickshire Chamber of Commerce.

Beverley is a Visiting Professor with the Centre for Brexit Studies at Birmingham City University, where she worked for 15 years in a number of roles including as Executive Director at the Institute for Design, Economic Acceleration & Sustainability (IDEAS), and as Director of Employer Engagement and Director of Corporate Affairs.

Beverley was previously appointed as the first female Director of the FTSE 250 company AGA Rangemaster plc, and MD of subsidiary interiors business, Fired Earth. She worked for the CBI for 13 years including as Director of CBI West Midlands, established Ultra Light Rail Partners Ltd and chairs the not-for-profit business, Boundless Outdoors Ltd. In politics Beverley is a Worcestershire County Councillor and in 2021 she was appointed Climate Tsar for Liam Byrne MP in supporting his campaign for West Midlands Mayor.

### **Publications**

**Beverley co-authored** '*Redesigning Manufacturing*' (2015) with Professor Michael Beverland and Vicky Pyrce, co-editing '*Brexit Negotiations After Article 50*' (2019), '*English Regions after Brexit*' (2020) '*Exploring the Green Economy*', '*Green Manufacturing*' (2021), '*India at 75*' (2023) and '*Examining Net Zero*' (2025).





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